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Attorneys for Defendants ZISEN YU, MING SIU
and Relief Defendants ACCELERATION CAPITAL PARTNERS,
SYLVIA TSUI, DOI PING SIU, YUEN-LAI MA AND LEUNG-KEE SIU

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

KING CHUEN TANG a/k/a CHEN TANG,
RONALD YEE, ZISEN YU, JOSEPH SETO,
MING SIU, KING S. TANG a/k/a JAMES K.
TANG, and YING KIT YU a/k/a EDDIE YU,

Defendants,

and

VENTURE ASSOCIATES FUND I, TANG
CAPITAL PARTNERS, ACCELERATION
CAPITAL PARTNERS, AMERICAN PEGASUS
LONG SHORT FUND SEGREGATED
PORTFOLIO, PING LEE TANG, KA LING LEE,
YIN LEE KA, CHEUNG-TING KA, SYLVIA
TSUI, DOI PING SIU, YUEN-LAI MA, LEUNG-
KEE SIU, ROSALIE CHO, and MINOR CHILD I
and MINOR CHILD II, minor children of
Defendant King Chuen Tank a/k/a Chen Tang,

Relief Defendants.

Case No.: CV-09-5146-JCS

**NOTICE OF MOTION AND
MOTION TO WITHDRAW AS
COUNSEL FOR DEFENDANT
ZISEN YU AND RELIEF
DEFENDANT ACCELERATION
CAPITAL PARTNERS**

Date: Friday, January 7, 2011

Time: 9:30 am

Courtroom: A

Judge: Honorable Joseph C. Spero

NOTICE OF MOTION

PLEASE TAKE NOTICE that on January 7, 2011 at 9:30 a.m., or as soon thereafter as counsel may be heard, the undersigned will appear in Courtroom A, 15th Floor of the United States District Court for the Northern District of California, located at 450 Golden Gate Ave., San Francisco, CA 94102, and will, and hereby does, move the Court for an order relieving Fenwick & West LLP as counsel for defendant Zisen Yu and relief defendant Acceleration Capital Partners in the above-captioned action.

This motion is based on this Notice of Motion and Motion and Memorandum of Points and Authorities in support thereof, and such argument of counsel as the Court may allow.

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to Civil Local Rule 11-5 and California Rules of Professional Conduct 3-310 and 3-370, Fenwick and West LLP (“Fenwick” or “the Firm”) hereby moves this Court for an order relieving it as counsel for defendant Zisen Yu (“Yu”) and relief defendant Acceleration Capital Partners (“ACP”) in the above-captioned action (the “Civil Action”). The Firm brings this motion in order to avoid a conflict of interest in the Civil Action between its representation of defendant Yu and relief defendant ACP on one hand and defendant Ming Siu and relief defendants Sylvia Tsui, Doi Ping Siu, Yuen-Lai Ma, Leung-Kee Siu on the other hand.

II. FACTUAL BACKGROUND

The Civil Action involves allegations that the defendants engaged in insider trading. The relief defendants, comprising the defendants’ investment funds and family members, are alleged to have received proceeds from the defendants’ alleged insider trading. At present, the Firm jointly represents Yu and ACP (an investment fund of which Yu is the general partner) (collectively, the “Yu Defendants”) and Ming Siu, Sylvia Tsui, Doi Ping Siu, Yuen-Lai Ma and

1 Leung-Kee Siu (Ming Siu's wife, sister and parents, respectively) (collectively, the "Siu
2 Defendants") in the Civil Action.

3 On February 2, 2010, the Department of Justice ("DOJ") filed an Information in this Court
4 captioned *United States v. Tang*, 3:10-cr-00080-J, charging defendant Chen Tang with insider
5 trading and conspiracy (the "Criminal Action"). On April 16, 2010, this Court entered a Plea
6 Agreement between Chen Tang and the DOJ. Since February, 2010, the Civil Action and the
7 Criminal Action have proceeded in parallel. Chen Tang is currently scheduled to be sentenced in
8 the Criminal Action on December 16, 2010, before Judge Jeffrey S. White.

10 Yu has retained the legal services of Ismail Ramsey ("Ramsey") of Ramsey & Ehrlich
11 LLP to represent him in the Criminal Action. Based on the Firm's conversations with Ramsey,
12 the Firm believes that there is a present conflict of interest between the Yu Defendants and the
13 Siu Defendants and the Firm can no longer represent them both in the Civil Action. Ramsey has
14 also informed the Firm that he is not prepared to assume representation of the Yu Defendants in
15 the Civil Action as of the filing of this motion.

17 **III. ARGUMENT**

18 **A. The Court Has Authority to Relieve Counsel of Representation**

19 An attorney must seek leave of the court to withdraw as counsel. Civil Local Rule 11-
20 5(a). The decision to grant or deny a motion to withdraw is within the discretion of the trial court.
21 *Le Grand v. Stewart*, 133 F.3d 1253, 1269 (9th Cir. 1998). California Rule of Professional
22 Conduct 3-700(b)(2) states that an attorney must withdraw if the attorney "knows or should know
23 that continued employment will result in violation of these rules or of the State Bar Act." One of
24 the ways in which an attorney violates the State Bar Act is by the "continue[d] representation of
25 more than one client in a matter in which the interests of the clients actually conflict." Cal. Rule
26 of Prof. Conduct 3-310(c)(2). Accordingly, an attorney whose continued representation of more
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than one client would result in representing conflicting interests must withdraw.

B. The Firm Must Withdraw as Counsel in Light of the Conflicting Interests of the Yu Defendants and the Siu Defendants

As previously mentioned, based on conversations with Ramsey, Yu's attorney in the Criminal Action, the Firm believes that there is a present conflict in the Civil Action between its representation of the Yu Defendants and its representation of the Siu Defendants.¹ Withdrawal under these circumstances is mandatory, pursuant to Cal. Rule of Prof. Conduct 3-700(b)(2). The Firm intends to continue to represent the Siu Defendants in the Civil Action following its withdrawal as counsel for the Yu Defendants.

IV. CONCLUSION

For the reasons stated above, the Firm respectfully requests that the Court grant the Firm's Motion to Withdraw as Counsel for the Yu Defendants in the Civil Action.

Dated: November 29, 2010

FENWICK & WEST LLP

By: /s/ Ilana S. Rubel
Ilana S. Rubel

Attorneys for Defendants Zisen Yu, Ming Siu and
Relief Defendants Acceleration Capital Partners,
Sylvia Tsui, Doi Ping Siu, Yuen-Lai Ma and Leung-
Kee Siu

¹ At the Court's request, the Firm is available to discuss the relevant facts *in camera* to avoid disclosing the parties' confidential information.